OFFICE OF
THE CHAIRMAN

May 8, 2017

The Honorable Dan Sullivan
United States Senate
702 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Sullivan:

Thank you for your letter expressing support for the E-rate program. E-Rate is a key component of the Universal Service Fund and helps millions of students in America benefit from digital learning. That is why, four years ago, I said that "E-Rate is a program worth fighting for." A more effective E-Rate program—one that promotes better connectivity for students and library patrons alike—can be a powerful tool to help bridge the digital divide.

Unfortunately, there recently have been serious flaws in the administration of the E-Rate program—flaws regarding the application process for schools and libraries and in particular the development and roll-out of the online E-Rate Productivity Center (EPC). The project, approved by the prior administration, was supposed to cost $19 million when USAC began implementing it in 2014. But over $30 million has already been spent, and estimates are that the total cost may be $60 million or greater. What's worse, too many schools and libraries have been unable to receive approval for applications filed more than a year ago, leading to project cancellations and fewer services for our nation's students and library patrons.

This is unacceptable, and it's why I recently wrote to the Universal Service Administrative Company, directing them to fix the E-Rate application process and take all steps needed to ensure that schools and libraries do not suffer because of IT failures. I have attached a copy of that letter.

I appreciate your interest in this matter and I look forward to working with you as we pursue the goal of promoting digital learning. Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai

P.S. Senator, great to see you (and, separately, Manisha) recently! As always, I'm grateful for your support. Look forward to catching up soon.

May 8, 2017

The Honorable Edward J. Markey
United States Senate
255 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Markey:

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